



Real Estate ~ a lifestyle choice



The Lenfesty Report

Darlene Lenfesty

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JANUARY 2012

The Market Today ...

Last year presented an interesting set of real estate statistics. The year started with a burst of activity and regional housing prices peaked in June then softened slightly (but only but about 1.5%) by December.

By the end of December, we had reached “balance” and, looking back, we see that some areas – and some price points – fared better than others.

In general, higher-priced detached houses saw more sales and more price appreciation in 2011 than mid- or lower-priced properties.

West Van, Richmond and Vancouver West enjoyed the best overall dollar increase, because of demand for their high end homes, but Port Moody actually saw the biggest price gain, a whopping 34%; they were the last municipality to come out of the 2008/09 slump.

You can find the **Burnaby and Tri-Cities** details on the back page.

Looking ahead, the consensus is that we should expect the residential housing market to maintain an even keel, with demand and supply fairly balanced and prices rising at about the level of inflation – around 2% per year.

“Solid and steady” for our market means that well-priced homes will continue to sell quickly. If you’d like to upsize, downsize or invest, call me.

I can help.

Darlene

Statistics Source: Real Estate Board of Greater Vancouver

Chinese New Year

We’ve all seen how the Chinese influence is becoming ever more important to British Columbia – from perspectives of demographics, economics and, particularly, real estate.

The Chinese year of the Dragon begins this year on January 23rd.

Although westerners think of this year as 2012, the much older Chinese culture counts it as year number 4710.

Legend says that Buddha invited all the animals to a New Year’s party, and 12 came. He named a year after each of them in continuing cycles and promised that as people were born they would take on some of the characteristics of that year’s animal.



People born in a Dragon year, such as Salvador Dali and John Lennon, show signs of innovation, bravery and passion.

Get in touch with me if you want to awaken your inner real estate dragon this year.



Move with the best

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Local Real Estate Sales Statistics

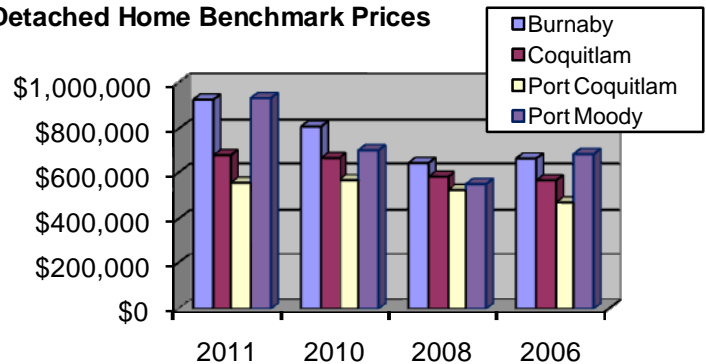
Burnaby:

- Less than 2% more new listings in 2011 than the previous year but, in the same period, overall sales increased 9.4% (3,970 sales, up from 3,629).
- Detached house Benchmark prices were up 14.4% over the previous year; apartment prices were 2.5% higher.

Coquitlam, Port Coquitlam, Port Moody/Belcarra

- Almost exactly the same number of new listings in 2011 as in 2010 (9,909 vs. 9,957).
- Sales were up substantially: 4,319 homes sold in '11, up from 3,850 in '10. Most of the increase was in detached homes in Coquitlam.
- Benchmark house prices were flat or down slightly except for Port Moody, which was tops in the region with a 34% increase.

End December
Detached Home Benchmark Prices



Source: Real Estate Board of Greater Vancouver.
Benchmark Prices: Estimated sale prices of a "typical" property.

Mortgage Rates as of Jan 6th

Term	Posted Rate	Best Rate
1 Year	3.50%	2.89%
3 Year	4.35%	2.99%
5 Year	5.39%	3.29%
Prime		3.00%

Rental Market Trends

Strong migration and fewer first time homebuyers are sending vacancy rates ever lower, while pushing rents higher by 2-2.5% last year.

Vancouver's vacancy rate, the lowest in 27 centres surveyed, stands at 1.4% with average rents for one bedroom apartments at about \$1200 and two beds at about \$1675.



In the Lower Mainland there are about 248,861 rental suites in total. Of these, 57% are secondary rentals (owned by individual investors). Only about 2-3% of new housing is for purpose-built rentals.

About 1/3 of households in the Vancouver area rent their homes. Because it costs significantly more to buy

than to rent, and rental supply continues to be limited, vacancy rates in the region will continue to be low.

Investor rental units tend to be higher-end and command rents about 45-60% higher than rents on purpose-built apartments; about 3% of sales go to investor buyers.

A condo can be a great real estate investment, where **your tenant helps you build equity, and future rental proceeds can supplement your retirement income.**

Right now condo selection is good and interest rates favourable for investment. I regularly come across great investment opportunities.

If you let me know what might work for you, I can keep you informed of good buys.

Statistics Source: CMHC

At the completion of each purchase or sale, Darlene makes a donation on her client's behalf directly to BC Children's Hospital.



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